

**GOVERNMENT OF INDIA
LABOUR
LOK SABHA**

UNSTARRED QUESTION NO:2165
ANSWERED ON:08.03.2000
RECOMMENDATION OF EMPLOYEES PROVIDENT FUNDS
BALIRAM;RAVINDRA KUMAR PANDEY

Will the Minister of LABOUR be pleased to state:

(a) whether the Dave Committee has recommended to invest a part of amount deposited under Employees Provident Funds in capital market/securities; and

(b) if so, the details of the recommendations likely to be accepted and rejected separately along with the reasons thereof?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI MUNI LALL)

(a) & (b): The Dave Committee has recommended, inter-alia, discontinuation of premature withdrawal from PF, opening of individual accounts by the EPF members, enhancement of employer's contributions to Pension Fund to 10% withdrawal of Government contribution of 1.16% to the Pension Fund, professional management of pension fund etc. The recommendations of the Dave Committee relating to the Employees' Provident Fund and Employees' Pension Scheme have been considered and rejected by the Central Board of Trustees, EPF on the ground of being contrary to the provisions of the Employees' Provident Funds and Miscellaneous Provisions, Act, 1952. This has been communicated to the Ministry of Social Justice and Empowerment, which had constituted the Dave Committee.